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CORPORATE POLICIES AND PRACTICES
WITH RESPECT TO
BILINGUALISM AND BICULTURALISM

VOLUME V

4.0 CORPORATE POLICIES AND
MANAGEMENT ATTITUDES

9 June, 1966

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4.0 CORPORATE POLICIES AND
MANAGEMENT ATTITUDES

4.0 CORPORATE POLICIES AND MANAGEMENT ATTITUDES

The business firm of today operates within a complex network of interacting and interdependent controlling influences which impose fairly tight limits on the exercise of managerial power. In large firms particularly, it is quite impossible for managers to direct the course of development along lines which will suit only their own preferences. Rather, it is the job of managers to comprehend, organize and combine influences emanating from many sources (both internal and external) in such a way as to facilitate the accomplishment of the firm's objectives. Once the objectives have been stated (itself a complex task), these influences are usually interpreted as resources and constraints. Resources (those factors of which the firm can, or should, take advantage) include such things as the availability of men, materials and technology, or access to markets and lines of credit, while constraints include physical or economic limitations on the availability of resources, as well as legal, social and ethical barriers.

All of the foregoing is very general, but so is the question of bilingualism and biculturalism. Our principal starting point is that there is, as such, no question of bilingualism and biculturalism facing business, but that the question constitutes an element of very nearly every controlling influence in the network. The degree of importance, of course, varies from one influence to the next and from one firm to the next.

In general, the results show up in two ways: the relative use of the English and French languages, and the relative use of English- and French-speaking people. It was seen in Section 3.0 (Practices) that

measures of these two variables can be made in many areas of business activity, such as employment, marketing and purchasing. Section 3.0 is a measure of what is, in fact, the case. In the present section, we are concerned with what is intended to be, or thought to be, the case, by the men who are charged with the planning and the management of the firm's resources.

As noted above, management is not free to direct the firm's affairs according to its own predisposition. It must operate within the system. But this does not mean that management's role is passive. The way in which the firm's objectives are set, and the patterns they take (whether implicit or explicitly recognized) make a very great difference between firms. The effect of managerial power also differs widely according to the way in which controlling influences are perceived, and according to the relative importance attached to each factor. There is plenty of scope here for individual differences, and some room for personal preference or habit, but the most successful manager is the one who combines the factors available to him, and adapts to changing circumstances, in a way which will best accomplish the firm's objectives, not his own.

The material used in this section was gathered during interviews with senior management of sample firms, supplemented in some cases by firms outside the sample. In what follows, we have attempted to synthesize the views held by these men into a pattern that can purport to describe policies and managerial attitudes of large manufacturing firms in a general way. In line with the undertaking we made to keep information on any one firm confidential, we have concentrated on the composite picture. Wherever reference has been made to a specific case, it has been masked.

To facilitate comparison of this discussion on management attitudes and policies with the report on corporate practices given in Section 3.0 (Volume IV), sample firms are categorized by language of ownership and by location in the same manner as that used in the earlier section. Definitions of the seven ownership-location types are given on Table 1.3.1, which is repeated overpage for convenient reference.

TABLE 1.3.1

-Repeat-

(Large Firms)

OWNERSHIP - LOCATION CATEGORIES AND CODE DESIGNATION

<u>Code Designation</u>	<u>Description</u> ¹
FCQ	French-Canadian owned, with head office located in the Province of Quebec.
ECQ	English-Canadian owned, with head office located in the Province of Quebec.
ECC	English-Canadian owned, with head office located elsewhere in Canada.
ForFrQ	Owned by citizens of foreign, French-speaking countries (such as France, Belgium or Switzerland), with head office located in the Province of Quebec.
UKQ	Owned by citizens of the United Kingdom, with head office located in the Province of Quebec.
USQ	Owned by citizens of the United States, with head office located in the Province of Quebec.
USC	Owned by citizens of the United States, with head office located elsewhere in Canada.

(1) The term "citizen" as used above refers to corporate as well as private citizens. Ownership type is based on majority of voting shares.

4.1 FACTORS DETERMINING THE LANGUAGE OF BUSINESS

In many of our interviews, a simplified model of the network referred to above was used as a starting point for a discussion of the factors which determine the language of business. This is illustrated in Figure 4.1.1, which depicts lines of communication between various elements in the system.

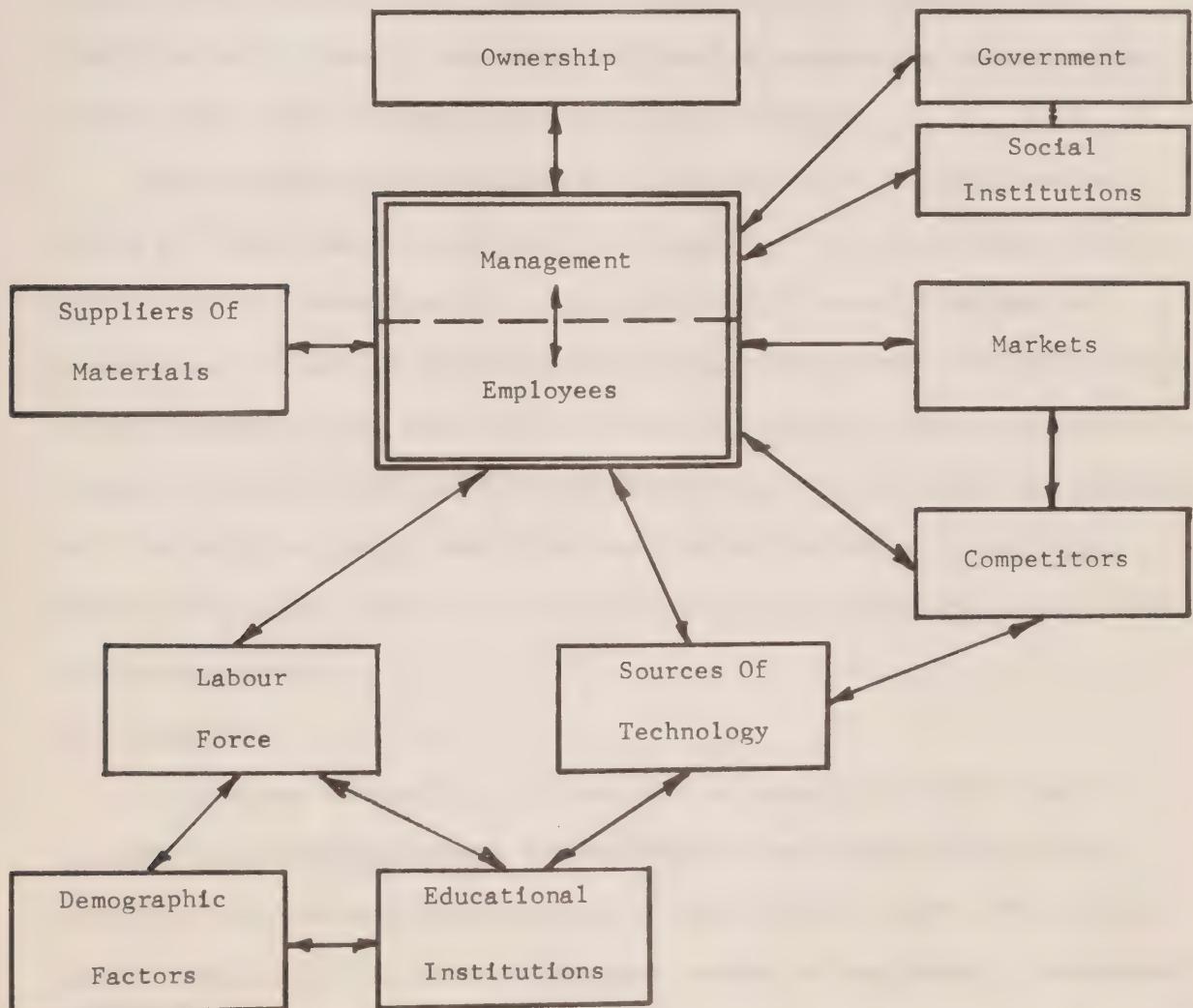


FIGURE 4.1.1
LINES OF COMMUNICATION

-Between the Firm and Its Environment-

It is apparent that the model is greatly simplified, since it shows only some of the lines of communication. There are, for example, additional direct links between competitors and suppliers of materials, between educational institutions and social institutions, between population and government and between the market and nearly all other institutions. In addition, within the firm, it is difficult to draw a line between management and employees generally. Nevertheless, the sketch is sufficient to show that the lines of contact are many, and the inter-relationship between them can be quite complex.

Most managers interviewed were well aware of the interactions between all these factors, although they might not have visualized them in quite such an abstract manner. From the point of view of the way in which these influences determine the language of business, the problem evidently depends on the scope of the firm's operations. Firms which operate entirely within a unilingual English environment in Canada are not included in this study, although some firms which might operate in a unilingual French environment are. In the main, however, all sample firms are exposed to both languages.

Ownership

In the case of nearly all firms, the language of ownership has relatively little direct effect in determining the language of business. In smaller firms, ownership and management tend to be the same, but with this single qualification, the starting point is the mother tongue of management, and the firm will operate in that language unless other factors counteract the tendency. There are, for example, some firms in the sample where the language of ownership is English, but the firm has a French language

"image" due either to deliberate policy or historical development, such as the purchase of the firm as a going concern from French-speaking owners. In a few cases, the language of ownership is French, but the firm operates principally in English at the material level due, again, either to deliberate policy or historical development, such as the promotion of English-speaking employees originally selected because they possessed the required skills and educational qualifications. Where the sample firm is a subsidiary, the language of business used by the parent company has greater influence, but this can be seen as due to the requirements of financial and technical liaison, which are operating factors, rather than the fact of ownership as such.

Ownership does have a powerful indirect effect on the language of business, however, through selection of senior management personnel. The cases noted above are interesting exceptions, but as shown in Section 3.4 (Senior Executive Officers), the mother tongue of senior managers is usually the same as that of ownership. There are, for example, one or two French-Canadian presidents of "English-language" companies (and they are fluently bilingual), while there are no English-speaking presidents of "French-language" companies.

Management

Once a particular ethnic or cultural pattern has been established in the senior management group, it tends to perpetuate itself in the selection of new members, and this also has a powerful indirect effect on the language of business. What we are referring to here is not discrimination (at least not in the overt, or unpalatable, sense of the word), but patterns of habit that busy men develop, perhaps unconsciously, in finding

the quickest or most efficient or least uncertain way of getting things done. The phenomenon stems from the fact that the "language of communication" in small, highly co-ordinated groups is often unspoken, or that at most, it consists of a mixture of short phrases and esoteric terms which cut to the root of the problem at hand, in the sure knowledge that everyone concerned shares the same predisposition and accepts the same axioms. In such circumstances, any member of the group attempting to argue a point in committee will often know, without a word being spoken by his colleagues, whether or not his point is being accepted - just from his intuitive "feel" of the atmosphere. In superior-subordinate relationships, a similar phenomenon is observable - described by one executive as "knowing whether I am getting through to him."

Factors such as these count very heavily in the selection of colleagues and understudies. They reflect not only the mother tongues of the people involved, but also their educational backgrounds. An engineer, for example, will feel that he can work better with another engineer than with a chartered accountant, because the former will tend to take the same approach to a problem, "and less time will be lost explaining what we are trying to do."

A well-rounded management group will probably include men of diverse academic backgrounds just because of the importance of the different skills and points of view which they are able to offer. Thus, some degree of effort will have to be made to overcome the natural affinity of like for like. Different language and cultural backgrounds provide an additional barrier, however, and the contribution these can make to the management group must be both meaningful and recognizable before the extra

effort in assimilating them will appear worthwhile.

What is involved, then, is not only language, but also (and perhaps, more important) cultural background. The additional barrier to clear communication which these impose, over and above differences in educational backgrounds, was stated in a most effective manner by a French-Canadian executive of one of the sample firms, during an interview. Noting that he, as well as both interviewers (one from l'Ecole des Hautes Etudes Commerciales de Montréal and the other from the Graduate School of Business of McGill University), had graduated originally in Engineering, he said,

" Now suppose there was a project to be done, and I had to work with one of you. I know nothing about either of you except that one took Engineering at l'Ecole Polytechnique, and the other at McGill. If the job had to be done quickly, I would rather work with the graduate of l'Ecole Polytechnique because I went there myself and I feel, just because of that and because we are both French-Canadians, we could get to work right away and understand each other within a few hours. If I had to work with the McGill graduate, it might take three or four days together before we both knew what to expect of each other. "

As mentioned earlier, it is not impossible to overcome the tendency for like to prefer like. In varying degrees, the effort must always be made in any business organization. But it takes additional effort, and more time, to cut across cultural and language differences, and the effort must be recognized to be worthwhile in this case, as in any other.

Referring once again to the model depicted in Figure 4.1.1, we can now look at some of the "external" factors and examine how, in the opinion of management, they influence the language of business.

Suppliers

Manufacturing firms obtain most of their supplies of materials from other industrial concerns for which, with very few exceptions, the lan-

guage of business is English. This is, of course, the case where suppliers are located in Canada or the United States (which covers most instances), but we were frequently reminded in our interviews that English is also the usual language of communication used in international trade by firms located in Europe and Japan.

Thus, for "English-language" firms in the sample, the influences of suppliers tends to reinforce the use of English within the firm. For firms where the internal language is French, the influence of suppliers tends to introduce the use of English although, in general, the customer can elect to use whichever language suits him best - especially if his purchases are relatively large. However, transactions involving industrial supplies often must employ a fair amount of technical terminology, and in many cases, it is inconvenient or impossible to use a French translation. The result usually is that communication is carried on in both languages. In any event, as noted earlier in Section 3.6 (Procurement), "French-language" firms, like their "English-language" counterparts, place much more emphasis on other conditions surrounding the purchase, such as price, terms, availability on a continuing basis, and quality. These factors have a direct bearing on costs and profit; the language used in purchasing does not.

"English-language" firms reported to us that, for small purchases of materials available locally, they usually employ bilingual purchasing agents in plants located in Quebec. In their dealings with local suppliers, most of whom are French-speaking, they generally use French.

For some resource-based industries, such as pulp and paper, the principal "supplier" of input materials is the Quebec provincial government, in its role as administrator of crown lands and timber cutting

rights. The provincial government's use of its monopolistic position in this area to assert provincial rights and powers, and to promote policies designed to make residents of Quebec "maitres chez nous" tends to introduce considerable uncertainty into the situation - particularly since cutting rights are renewable each year. From the companies' point of view, the provincial government's attitude looks like French-Canadian nationalism. With respect to the use of language (which is only a small part of the question, although it is one of the most noticeable aspects), French is now mandatory. In many firms, woodlands operations have been carried on in French for some years, due principally to the nature of the workforce (almost all employees are French-Canadian) and the fact that operations are often isolated in remote parts of the province. Thus, the people who manage woodlands operations, if they are not French-Canadian, are usually quite fluently bilingual, and they encounter few difficulties in their contacts and negotiations with provincial government officials.

Because of the vital necessity of maintaining good relations with the provincial government, however, the use of French by these firms is more than just a matter of adaptability. A French-Canadian senior officer of a Quebec-based, English-Canadian-owned pulp and paper firm reported to us that he understood the provincial government had recently returned all documents submitted by one of his firm's competitors, because they were in English. Asked if in such a situation he would send them back and insist that English is an official language in Quebec, he replied, "In the position we are in, we would translate the documents into Sanskrit if they wanted it that way!"

We should stress that we found no evidence of hostility on the part of sample firms. Relations between them and the Government of Quebec

seem to be as good as relations ever are between government and industry (particularly resource-based industry). But in view of current developments, management is conscious of increased uncertainty, and it is very watchful.

Labour Force

One of the most powerful determinants of the language of business and within the firm is the mother tongue of the majority of its employees. Whenever either French or English is the mother tongue of the majority of people at all ranks in the organization, that language will generally be used for all internal communication, and adaptation to the other language will be provided for, whenever necessary, in external contacts. It is only where the dominant language is different for employees at different levels in a plant, or in plants located in different regions, that bilingualism becomes a matter of concern in internal operations.

The characteristics of the workforce depend, to a great extent, on the labour force - that is, speaking very broadly, the availability of people who are qualified and willing to work for the firm in question. On the wage-roll level, the dominant mother tongue of employees will be that of the local labour force, which is determined in turn by the local population. For most plants located in Quebec, therefore, the great majority of wage-roll employees are French-speaking. In the case of salaried employees, however, special qualifications or educational backgrounds are usually a prerequisite, and the local population is, in many cases, not able to supply all requirements. Since these people often have to be "imported" from other regions or other countries, their mother tongue is not necessarily the same as that of the local population. Further, as shown on the

model, the influence of educational institutions becomes significant.

In general, management of all firms in our sample view the "labour force" factor as the main influence encouraging the use of the "other language." In firms where the language of management is English, the main factor (sometimes the only factor) encouraging the use of French is the workforce - principally, but not exclusively, wage-roll employees. In "French-language" firms, it is usually the salaried specialist who introduces English into internal communication, reinforcing external factors such as sources of technology, suppliers, and markets, which also encourage the use of English. Some firms try hard to avoid this complication. One FCQ firm reported that it spent five years looking for a qualified French-Canadian engineer to take charge of its research and development department. It was not successful, and finally hired an English-Canadian who is, unfortunately, not bilingual.¹ On the other hand, management of another (larger) FCQ firm made a policy decision, on the occasion of taking over control of the company, to retain the services of its English-speaking senior management personnel. Two reasons were given in justification of this policy: (1) the largest part of the firm's market is English-speaking, and (2) the firm needs managerial competence, and elimination of the English-speaking element would limit its choice of employees too severely.

(1) Another FCQ firm reported that nearly all its manufacturing employees are French-speaking except the production manager, who is Scandinavian. Management would have preferred to hire a French-Canadian, but this was not possible. The production manager, who speaks English, has taken lessons in French, but without much success, and he still has difficulty communicating. As a result, those people who work in contact with him must be bilingual, although normally their jobs would not require knowledge of English.

Recently, as graduates in engineering and commerce from French-language universities have increased in number and in willingness to work in large corporations, "English-language" firms have been making efforts to hire those people and, correspondingly, introduce the use of French at supervisory and management levels in their plants in Quebec. This is being done in an effort to match the language preferences of the majority of their wage-roll employees. This subject, which is too large to be treated here, is discussed in Section 4.3 (Page 35).

Sources of Technology

All firms in all ownership-location categories reported that the influence of sources of technology is to encourage the use of English. For some firms, where the production process is fairly simple and innovation is not an important factor, the influence of the language of technology is not great. At the very least, however, French-speaking engineers and technicians are expected to be able to read technical literature in English.

Markets

On balance, the influence of markets on internal operations is to encourage the use of English. This may at first appear to be surprising, having in mind the size of the French-speaking consumer market in Quebec, but on the whole, consumers have little contact with people inside the firm. As we saw earlier, in Section 3.7 (Marketing), sample firms adapt very well to differences in language patterns in consumer markets, by ensuring that their salesmen have the proper language qualifications, and through the use of advertising agencies which employ specialists able to operate in both languages. The firm's direct contact with buyers of its

product, however, begins and ends with its salesmen.

Manufacturers of industrial materials and machinery, on the other hand, enter into contact with buyers of their product at many more levels in the organization. Because of the nature of the product, and because the number of buyers is usually quite small, liaison is necessary in the areas of production, engineering, research and development, quality control, and finance and accounting, as well as in sales and general management. If the buyer (usually another firm) is located outside of Quebec, the normal language of business is nearly always English. If the buying firm is located in Quebec, the fact that contact is made through specialists or senior management people often means, also, that English is the preferred language.

Among FCQ firms manufacturing industrial goods, marketing is the only functional area in which a unilingual English employee can rise to a senior management position. It is preferable, however, that he be bilingual. For many "French-language" firms, extension of their markets to other parts of Canada and to other countries is making bilingualism a necessity.

For "English-language" manufacturers of industrial goods (principally machinery and equipment), market considerations do encourage the use of French when buyers are French-speaking. Very often these buyers are governments - either municipal or provincial - and in this respect relations are similar to those faced on the supply side by pulp and paper manufacturers. Some companies (including ForFrQ, as well as "English-language" firms) feel it is of paramount importance to have French-Canadian (not just French-speaking) salesmen for contact with these customers, and it goes without saying that it is to the firm's advantage

to submit bids in French, or at least in both languages.

How much of an advantage this may be is difficult to say. The president of one ECQ firm, which normally sells nearly all of its output outside Quebec, reported having submitted a bid for equipment to Hydro-Quebec. The company was the lowest tender and it got the contract. Even so, it was the president's impression that what appeared to be more important was the fact that the bid (a fairly long and complicated set of documents) was submitted in both French and English and that there were French-Canadian officials of the company present at the negotiations. After the contract had been signed, Hydro-Quebec officials noted to the president that his firm was the only one to submit a bid in French. It is the president's feeling that had other things, especially price, been equal, his company could have stood to benefit from having pursued such a policy.

Government and Social Institutions

The influence of the Quebec provincial government in determining the language of business is exerted most directly through its role as buyer and "supplier." These effects, both of which tend to encourage the use of French, are noted above. In a more general sense, the provincial government and some social institutions have an indirect influence on business - also in the direction of encouraging more use of French - through their appeal to businessmen as individuals. Since these factors are well documented elsewhere, we shall restrict our comments to mere mention at this point, in order to complete the analysis of the model. The influences show up in many areas, however, as later sections will show.

Summary

Once a pattern of utilization of either English or French has been established in a firm, it will tend to perpetuate itself unless "external" factors bring about a change. Our survey shows that changes are occurring, and that they are in the direction of bilingualism in every case studied, not in the direction of either unilingual French or unilingual English.

One of the characteristics of a successful business firm is that it adapts well to changes in its environment. It adapts particularly well to changes which affect profitability and survival in the long term. It takes additional effort, and more time, to cut across cultural and language differences, and the effort must be recognized to be worthwhile in this case, as in any other.

The chief factors which make the effort worthwhile in "French-language" firms are the availability of qualified managerial or specialist personnel, sources of technology, and markets outside of Quebec. For "English-language" firms, the chief factors are good employee relations (especially at the wage-roll level), markets in Quebec, and government and social pressures.

It is apparent that, in general, the factors operating to encourage the use of English are more directly (or more obviously) related to profits than are those which tend to encourage the use of French. The major exceptions to this would be those "English-language" firms which are most vulnerable to government action, such as firms in the resource-based industries.

4.2 MANAGEMENT PERCEPTION OF THE BILINGUALISM - BICULTURALISM PROBLEM

The degree of adaptability of large manufacturing firms to current changes in French Canada, and the direction of their response, depends not so much on the "problem" of bilingualism and biculturalism (however, it is defined), as on management's perception of it. To test this, we asked the following question early in our interviews:

" Has the question of bilingualism and biculturalism as such been of sufficient importance to your company to have given rise to a specific item on the agenda of your executive committee recently? "

We did not, of course, expect only a direct answer. Certainly, there are no firms in the sample which were unaware of current changes. In all firms, managers are more than just aware, and they are talking informally about the matter both inside executive committee and outside. But they are not talking in the abstract terms used in the question. Most often, the "question" of bilingualism and biculturalism is expressed in terms which are meaningful to the firm, and which derive from the way in which businessmen perceive current changes. This is what we hoped to obtain from our "icebreaker" question.

Concrete expression of the question took many forms in our interviews. Many executives of "English-language" companies put it in terms of employment of French-Canadians and the greater use of French in the workplace, while others were concerned about the climate for investment and long-term economic growth in Quebec. Quite a few expressed the problem in terms of industry relations with the Government of Quebec, and some have contemplated what effect separation of Quebec from the rest of Canada might have on the firm's structure and organization.

FCQ Firms

Among French-Canadian-owned firms, most concern is in the area of marketing (both within and outside of Quebec), in the role that business should play in encouraging French-Canadian "nationalism" and in purity in the use of the French language in the workplace.

Nearly all FCQ firms reported that the fact that ownership is French-speaking does give them an advantage in markets in Quebec, and that it appears to make no difference in other parts of Canada where, according to them, factors such as price, quality and service are considered to be of prime importance to the buyer. In two cases, we were told that sales managers in regions outside of Quebec reported sales were suffering due to the company's French-Canadian image. This experience was not confirmed in other parts of Canada, and the reports were interpreted by management as excuses for generally poor salesmanship. In one case, the sales manager was fired and sales outside of Quebec continued to expand. One manufacturer of industrial equipment made an abortive attempt to enter the Ontario market after the Second World War. When it failed, the company confined its operations to Quebec until new management came in. Products were redesigned, product lines were expanded, and the company re-opened its Toronto office - this time with much more success. The firm is now second-largest in its field in Canada.

Nearly all FCQ firms in the sample are critical of the "buy-Quebec" policy currently being pursued by the Quebec provincial government and Hydro-Québec. To them, this policy constitutes the most serious single barrier to continued expansion of their markets outside of Quebec, while it does not, apparently, help them much within the province. Some sample

firms support the "Conseil d'Expansion Economique," a privately-sponsored organization which stresses the importance of educating the Quebec consumer and the Quebec manufacturer in the advantages of a buy-Quebec policy. The Conseil feels that the "dollars-and-cents" argument is the only one the English-Canadian businessman can understand, and it believes that a private organization is in a better position to promote "economic solidarity" than the provincial government, the efforts of which are necessarily less powerful, less specific and less flexible. The objective is to support firms which are owned by French-Canadians, and to encourage them to improve the quality and appearance of their products. At present, only French-Canadian-owned firms can join the organization, but it is intended to open up membership later to firms owned by other language groups which "respect the culture and the language of French-Canadians." So far, sales by member-firms outside of Quebec do not appear to have suffered as a consequence of the firms' support of a buy-Quebec, or buy-French-Canadian, policy.

If some French-Canadian-owned firms do not think the provincial government has gone far enough, others are a little uncomfortable with the extent to which it has gone already. One manufacturer of consumer goods (which sells its product all across Canada and cannot perceive any advantage or disadvantage, either in Quebec or elsewhere, stemming from the fact that its manufacturing plant is in Quebec) feels that if Mr. Lesage should ever leave his position as premier, "some of his possible successors could cause difficulties." The company is not overlooking the possibility of buying out a small competitor in Ontario and switching some of its production to that province, to protect its markets outside Quebec in the event of separation.

Many FCQ firms are concerned about the quality of spoken French in their manufacturing operations. In general, most report that the quality of language has improved within the last ten years, due mainly to improvements in the educational system and the fact that young people are staying in school for a longer period before starting work. One company executive did not mention improvements in education, but stated that the introduction of French-language television had had a marked effect. Words such as foreman, boss, shipping and maintenance are used less often in spoken French in the plant, having been replaced by "contremaître, patron, expédition and entretien." However, more technical terms are still expressed in English, because the French equivalent is either obscure or non-existent.

Some companies feel it is incumbent on them to take measures to improve the quality of French used. Some have made up a lexicon of equivalent French terms, some have replaced signs in the plant and plates on machinery (originally installed in English by the American or Canadian manufacturer) and some encourage the use of proper French-language in written reports. In all cases, the effort is said to be difficult and expensive and "cannot be justified in economic terms." One or two companies reported that they do not feel it is necessary for industrial firms to become involved in educating in language.

ECQ Firms

Of the thirteen English-Canadian-owned, Quebec-based firms in the sample, five replied that the question of bilingualism and biculturalism had not been discussed formally in executive committee recently, because the question was a familiar one, had been recognized many years ago and

had, since that time, stood in the background of nearly every executive decision made in the firm. The remaining eight firms had also recognized the existence of the "question" many years ago, but recently they were giving some elements of it rather more detailed consideration. The distinction between those firms which gave a "yes" answer to the direct aspect of the question, and those which gave a "no" answer, is therefore very slight.

In many ECQ firms, management regards the question of bilingualism and biculturalism in industry as involving principally the hiring and promotion of French-Canadians. Since this is a relatively large subject, it will be discussed separately, in the following section (4.3).

In one or two cases, attention is being paid to representation of French-Canadians on the board of directors. We discussed in Section 3.3 (Directorships) that the extent of representation is already quite high in ECQ firms, and it would appear that these firms are simply "catching up" with the majority.

At least two ECQ firms have considered the possibility of moving their head offices to Ontario. In part, such a move would reflect a shift of emphasis in their markets or a relatively greater rate of expansion of manufacturing facilities elsewhere in Canada. However, the political climate in Quebec and problems of retaining English-speaking managerial and specialized staff were always cited as reinforcing factors.

A much larger number of firms reported having considered setting up separate divisions to operate in Quebec. These divisions would be staffed, in the main, by French-Canadians and French would be the internal language of communication. In the event of separation, the "Quebec division" would

be operated as a foreign subsidiary, assuming that ownership could be retained. In every case, it was stressed that a reorganization of this nature would be made very reluctantly, since any break-up of the firm into smaller units would be sure to have an adverse effect on productivity and costs. Having in mind that the trend in other countries is in the direction of larger units which are able to enjoy lower costs and/or a more rapid rate of innovation, the fragmentation of Canadian producers - already relatively small - would be certain to result in a serious loss of competitive strength. English-speaking managers regard the possibility without enthusiasm, although they believe that they may be forced into it by political and social pressures.

What is perhaps more interesting is that every French-Canadian senior executive interviewed expressed opposition to any organization change which would split off Quebec operations from those located elsewhere in Canada. These men, which have already demonstrated good managerial competence and have competed successfully with their non-French-speaking colleagues, have no wish to see their horizons limited. They, also, recognize the validity of the economic arguments in favour of larger-scale operations, but beyond this, they believe that, in a cultural or social sense, the full development of their fellow French-Canadians in the longer term would not be well served by providing a protectionist or "hot-house" environment for them. As one man put it: "The principal thing is opportunity. I've been given the opportunity and, so far, I've succeeded well. Now I don't want to see my opportunities limited, either by my company or by the politicians."

Another interesting observation was made by a Jewish executive, on the subject of the choice between assimilation or retention of "the proper

French environment and French education." It was apparent that he had thought about the problem with sympathy and understanding, but he does not believe that the answer lies at either extreme. To paraphrase his comments:

"The Jews face much the same problem as the French-Canadians. We have our own language, our own religion and our own culture. We are proud of our heritage, and we wish to retain it. Some Jews have responded to the commercial pressures of the world by withdrawing into their parochial schools, into their synagogues and into their ghettos where they can preserve intact all aspects of the Jewish faith and culture. However, any Jew making this choice (which he is perfectly free to do) is bound to suffer economically, for he cannot participate in North American business. I do not believe that isolationism is necessary. I am proud of my heritage; I attend synagogue, and I can speak the language, but I have attended English-speaking educational institutions and I have accepted English as my working language - so have most of the other Jewish businessmen I know. But I am still Jewish, and I do not believe that the Jewish culture, religion, or even the language, is disappearing."

Although no senior executive interviewed believes that industry should take an active role in bringing about cultural or social change, most of them feel that the business should remain aware of its environment and adapt to social changes as rapidly as possible. The president of one ECQ firm came close to specifying an active role, however, in telling us that his company has, in effect, made a forecast of what social changes may take place, and has begun to enunciate new policies in anticipation of them. Most of those policies are designed to encourage the greater use of French in internal operations, and a definite effort is being made to hire and promote French-Canadians at the staff level. All senior executives have been taking French lessons, and the word has gone out fairly clearly to all junior executives that they had better become bilingual soon. The president reported that there is a definite cost involved in the pursuit of these policies, for it would be less expensive to carry on with English as

the principal language of communication. However, the alternative is the possible destruction of the company's operations in Quebec within five, ten or fifteen years, and the president feels that survival is more important than short-run cost considerations. This is an essential part of the forecast which the company has made.

ECC Firms

Most ECC firms have their head offices in Toronto, and (due to the operation of our sampling criteria, discussed in Section 3.7) most are engaged in the production of consumer products. In general, their operations all across Canada are quite decentralized, and local plants enjoy a considerable degree of autonomy. Operations in Quebec, as noted in Section 3.0, employ a fairly high proportion of French-Canadians at all levels, and bilingualism is quite prevalent.

Since, in decentralized organizations, the head office group tends to be removed from day-to-day operations, its perception of conditions in Quebec (and indeed, anywhere else in Canada, is often received at second hand). Senior management people in ECC firms tend to take a more detached view of the current social changes in Quebec than do their colleagues in ECQ firms. Most of their concern is with marketing, and employment of French-Canadians.

With respect to the latter, plants in Quebec employ a large number of French-Canadians, especially at the wage-roll level, and plant management and staff are expected to be bilingual. In the last five years or so, increasing efforts have been made to attract and train young French-Canadians for supervisory and managerial ranks, and it was emphasized that they, as well as their English-speaking colleagues, must be bilingual.

Often, in order to be promoted, the staff member must have experience in plants and sales offices in various parts of Canada. Some firms have a policy of eventually converting all Quebec plants to French operations, and English-speaking employees are being phased out. Reports to head office are, however, still written in English.

The market is a very powerful influence on these companies, and a good deal of attention is paid to cultural differences as they affect advertising, the use of bilingual labels and patterns of consumption or preferences for slightly different product characteristics. In addition, great care is taken to ensure that salesmen are able to speak the language of the client. Some companies feel that salesmen in Quebec must be French-Canadian; a bilingual English-Canadian would not do. Bilingual French-Canadian salesmen, it is felt, suffer no handicap with English-speaking buyers.

ECC companies have given little thought to the possible removal of their assets or plants from Quebec. In fact, their investments have been extended, and in some cases, the manufacture of particular product lines has been centralized in this province. Company executives say they "will continue to operate in Quebec until forced to leave - if that should ever happen."

ForFrQ Firms

Most ForFrQ firms are managed by Canadians (usually French-Canadians), and the companies' "image" is therefore very similar to that of FCQ firms. Representation of French-speaking Europeans, if it exists at all, is generally confined to a single man at the managing director, or equivalent, level. These men, who are more accustomed to living and working in a multi-

cultural, multi-lingual environment than are most North Americans, offered some interesting approaches to the problem now facing Canada.

One such man, a Swiss, told us that he believes the current problem is not one of language or communication at all. Language difficulties are only symptoms. The underlying "malaise" is the economic underdevelopment of French-Canadians. If a solution could be found in this area, he believes, the language problem would solve itself. In the meanwhile, the language of operations within his company is adapted to the environment. Internal communication is in both languages, matching the language abilities of employees, and senior people in head office must be bilingual. People who deal with suppliers and industrial buyers must speak English, and salesmen of the company's consumer products in Quebec must speak French.

Commenting on his experience in Switzerland, this same executive reported to us that, as a matter of courtesy, the tendency is generally to use the language of the superior - especially in industry-government relations. Also, a German-speaking Swiss transferred to a plant in French-speaking Switzerland knows that he must speak the language of the region. The language of business in Switzerland, however, is mainly German and (increasingly) English. The latter is particularly important for foreign business contacts, and most Swiss in senior management are fluent in English.

As an aside, this gentleman remarked that in his experience, he had found the French, as a group, to be quite adamant in demanding the use of their own language. The only group which is more adamant is the English-speaking people!

In another firm, owned by interests in France, a French-Canadian

manager remarked that most French businessmen seem to regard North America as unilingual English. Some of these men, we were told, compare the French-Canadians with the Flemish people in Belgium, and wonder why they resist assimilation into the majority. It was noted that many French businessmen coming to Canada associate themselves, not with French-Canadians, but with other non-French-speaking groups defined broadly as "English-Canadians," and that they take up the attitudes and ways of thinking of these groups.

Within the firm, the great majority of employees are French-Canadian, except for a small number of men holding positions such as general manager, chief engineer, sales manager, industrial engineer and draftsman. Most of these people are not bilingual. According to senior management, this situation has arisen because qualified bilingual candidates have not been available, and it is expected that conditions will change in the future.

UKQ Firms

In most UKQ firms, senior management is Canadian, and perception of the bilingual-bicultural problem is essentially similar to that of management of ECQ firms. In reply to our question whether the subject had been discussed recently in executive committee, the majority replied that it had not (not recently) because the question had been recognized for a long time.

As reported in Section 3.0 (Corporate Practices), UKQ firms have adapted quite well to their environment. Some firms manufacture and sell consumer products and have come to know the Quebec market quite well; some have a French-Canadian "image" as a result of purchase from French-Canadian owners; and some are relatively new which, to some degree, makes

the problem of staffing easier because the company can be more flexible in the beginning.

One firm, which has been established in Quebec outside of Montreal for a relatively long time, feels that it has a strong obligation towards the English-speaking community in the region of its plant. Many of these people were originally brought into the region by the company to start the plant, and their families have grown up in Quebec. According to the senior management people interviewed, the "Quiet Revolution" has meant that many English-speaking people in Quebec cannot easily find jobs at the wage-roll, or junior clerical, level any more, even though most of the younger ones are fluently bilingual. The company feels it has a responsibility to hire them, although it recognizes that this practice does limit, to some extent, the entry of French-Canadians.

At the staff level, intensive efforts have been made by this company to attract young French-Canadian engineers, and the number of French-Canadians in senior positions is increasing. However, the company is susceptible to raiding by smaller firms in the industry, and staff turnover is relatively high. According to management, the company has come under severe pressures in recent years, ranging from government criticism to threats of bombing. Apparently, it has been suggested to this company (and to others in our sample) that if it hired a French-Canadian into top management, this "would help a great deal." The company rejected the suggestion on the grounds that its policy is to promote from within, and it is continuing to develop French-Canadian engineers in its management training programme. Partly as a result of these pressures, partly as a result of the fact that most of its current stock of management personnel is English-speaking, and

partly because its markets are expanding westward, the company is giving some thought to the possibility of moving its head office to Ontario.

For one firm, a manufacturer of consumer products purchased from French-Canadian owners, the question of bilingualism and biculturalism scarcely arose until it was decided to expand into the Ontario market, and then to other parts of Canada. Since the company has a French-Canadian "image," some thought was given to changing its name. It was decided, however, that it would be better to concentrate on product quality and merchandising, since these factors are felt to bear more weight in markets outside of Quebec. When the campaign to expand markets was seen to be successful, no further thought was given to the company name, and it remains French. Curiously, product labels had been printed in English, only; by the previous French-Canadian owners, at a time when marketing effort was restricted to Quebec, and the bulk of sales were made to French-Canadian buyers. One of the first things the new owners did was to print bilingual labels. These have not been changed for products shipped to markets elsewhere in Canada.

The president of another UKQ firm expressed his perception of the bilingual-bicultural problem in terms of adaptability to permit fullest utilization of resources - particularly resources of skilled, or educationally-qualified, people. He reminded us that in the early days, his firm, like many others, had relied on the United States and Great Britain to supply specialist and managerial staff. The practice had resulted in such a large proportion of non-Canadians in management positions in his company that he had been told, upon graduation from university, that he was "crazy" to go to work for such a company: his

chances of promotion were nearly nil. As time went on, manufacturing firms like his own had turned to English-speaking Canada for educationally-qualified people, then to Britain and Europe (during the post-war surge of immigration), and now to French Canada. From the companies' point of view, the principal thing is to ensure a continuing supply of trained people, and all available sources must be tapped. In time, the proportion of French-Canadians at senior management levels will increase, not because of any desire to ensure proportional representation ("the company is not like the Senate"), but because of emphasis put on each individual and how he matches job requirements.

Like several other executives interviewed, this company president was quite concerned about the attitudes of English-speaking people outside of Quebec - and especially those in Toronto. After discussing at some length the apparent isolationism of Torontonians, he remarked that he believes the rest of Canada must learn to live with Toronto just as much as it had to learn to live with Quebec. According to the gentleman, the perception of the bilingualism-biculturalism problem in Toronto is very slight and a very significant danger.

USQ Firms

Perception of the bilingual-bicultural problem by management appears to vary over a broader range in United States-owned firms than in any other ownership group.

In some firms, where technological and managerial techniques are very highly developed, the overriding emphasis is on the individual and his performance, without regard to his language or cultural background. In the mind of executives of these firms, the fundamental concept of a

study into bilingual-bicultural matters in industry is wrongly based, since it tends to shift emphasis away from business and away from the individual, and concentrates attention on groups of people, on differences between them, and on social factors which are only a part of the business environment.

In other firms - particularly those which were purchased from French-Canadian ownership, adaptability is very high, and separate divisions may operate quite autonomously, each retaining its former patterns of language and employment. In these firms, recognition of the bilingualism-biculturalism problem is seen in terms of expansion into new market areas, or in relations between plants or divisions and head office (the language of business at this level is English).

In some U.S.-owned firms operating as part of a world-wide network managed by the "international division" of the parent companies, conditions in Quebec are viewed as no more "special" than conditions in South America or Europe. In many cases, the solution has been to create a French-Canadian "image," and to adapt to local conditions to the greatest extent possible - up to, but not including, communication with the parent company.

In direct answer to our question whether the matter of bilingualism and biculturalism had been discussed recently in executive committee, most company executives reported that it had. In one firm, the chairman of the board had given a series of verbal presentations to senior management of the parent company on conditions in Quebec. In another, implementation of a policy to fill all management positions with French-Canadians had been receiving careful attention.

In one firm, with plants in many regions in Eastern Canada, management has been making concentrated efforts to define and pinpoint recent changes in Quebec, and to alter its policies to conform more closely to the environment. Most of these policies have been related to staffing at the plant management level, and French-language training for senior executives. Another firm with only one plant, which is located in Montreal, has concentrated almost all of its attention on employee relations and hiring, since virtually all sales are made outside of the province.

In one case, we were told that the company is giving active consideration to moving its head office to Ontario.¹ The company has been giving close attention to the "new wave" in Quebec, and its possible effect on company operations and investment. It was stressed that management did not feel it was taking an extreme view, but that it felt the company should be ready for any contingency.

USC Firms

In all respects, USC firms are very similar to ECC firms. In both cases, management is usually English-speaking Canadian, and in both cases, most sample firms are engaged in the production and sale of consumer goods. Decentralization is common, and plants or divisions in Quebec, like those in other parts of Canada, operate with a fairly high degree of autonomy.

(1) The company executive giving us the interview told us he knew of a number of other "English-language" companies which were also contemplating such a move. It was stressed that emigration would not be sudden, but would involve a "phasing out" of activities in the Montreal area and a corresponding increase of activity in the Toronto area. The programme, once started, could take from three to five years, according to plans.

Management of the Quebec operations is well aware of current changes in the province, while head office management is necessarily more remote and - understandably - preoccupied with other problems as well as Quebec's.

The fact that company management must concern itself with local conditions in many parts of the country could mean that corporate policies with respect to bilingualism and biculturalism would be less flexible. Decentralization, to the extent that it can be implemented within the overall corporate structure, helps to circumvent the problem, but promotional policies which require a high degree of employee mobility, and the fact that senior management is located in Toronto, have the effect of reducing the proportion of top jobs held by French-Canadians.

In matters affecting marketing, where much of the emphasis lies in USC firms, adaptability is quite high. Bilingualism and representation of French-Canadians in the sales force are high, as is the extent to which bilingual labelling and advertising are employed. Bilingual labels are generally used for all products, sold in all parts of Canada, one reason being that the cost of split runs (with different packaging for Quebec) would be too high.

Most USC firms are expanding their investments in Quebec, although these investments are still a relatively small proportion of their total assets. The general feeling of management is that the economy of Quebec is moving ahead rapidly, and USC firms wish to take advantage of increasing purchasing power in this province. Having investments in productive facilities in Quebec is felt to be an advantage in "protecting" this part of the market.

In several cases, management people expressed the belief that an ap-

peal to "nationalism" has no effect on sales. Consumers will buy the product which suits them without regard to where it is made. (The same belief is shared by FCQ firms, with respect to their sales outside of Quebec.) Some years ago, in response to political and social pressures, a number of United States-owned companies undertook to create a "Canadian image." Management feels that, although their action appeared to satisfy the forces which were exerting the pressures, the effect on sales was negligible.

4.3 EMPLOYMENT AND PROMOTION OF FRENCH-CANADIANS

4.3.1 Some Background Factors

In nearly all large manufacturing firms, considerable attention is being paid to the employment and promotion of French-Canadians. Most members of senior management are concerned about the relatively small proportion of French-Canadians in specialist or managerial positions, and most are also concerned about the fact that this proportion cannot be increased by very much within the space of a few years. Among the factors preventing a rapid increase, three stand out:

- (i) the low availability of educationally-qualified people who are willing to work in industry;
- (ii) the problem of retaining promising French-Canadians, once hired and trained; and
- (iii) the reluctance of French-Canadian employees to move from one company location to another.

Availability

The matter of the availability of French-Canadians having both the necessary educational qualifications and the willingness to work in industry has been treated at some length in Mr. Charbonneau's article (Section 2.1.2) and in Section 3.0. It will not be laboured here, except to remind us that the legacy of conditions in the past still imposes severe constraints on the extent to which manufacturing firms can now go to increase the French-Canadian content in intermediate and senior management. There simply are not enough candidates to fill all possible openings. In recent years, the number of young French-Canadians graduating in engineering and commerce has increased markedly, and most company executives mentioned this, with the hope that these younger people will,

eventually, find their way to senior positions.

Retention

The current shortage of qualified French-Canadian candidates, coupled with particular social factors which encourage them to place more emphasis on the professional aspects of work, leads to the second problem: most industrial firms are encountering great difficulty in attracting and (more importantly) retaining young French-Canadians. There are, in the view of company management, too many alternative job opportunities in areas which seem to lay more emphasis on professionalism or "white collar" type of work. Foremost among these alternate employers are the Quebec civil service, agencies of the Quebec government, and the great number of recently-formed French-Canadian consulting engineering firms. It may be significant that, in most cases, these employers use French as the working language, although very few management people interviewed mentioned this as a contributing factor. We did hear many stories, however, of promising young French-Canadian employees who had been "on their way up" in the company, but had left to work for a French-speaking firm (including FCQ competitors) with the promise of higher pay, a more impressive title, a more "professionally-oriented" job, or a combination of such inducements.

In response to this, salaries offered to French-Canadians have been going up - particularly at middle management levels where more flexibility is possible. The requirement of bilingualism is always present as a matter of course, together with ability or qualifications. The salary premium for French-Canadians with bilingual ability was set at about ten per cent by some executives, and at up to twenty-five per cent by a smaller number of others. In some cases, it was stated that no premium exists,

as such; the requirement of bilingual ability is simply part of the job specification now, whereas it had not been ten years ago. No one mentioned a premium for bilingual ability of English-speaking employees, except in general terms relating to their chances of further promotion. We are inclined to interpret this, however, not as evidence of discrimination against English-speaking employees, but as a commentary on the fact that the principal language of business is English.

Some indication of the attitudes of management towards promotion of French-Canadians was suggested by the manner in which many executives talked about recent cases in point. It seemed to us, to make a very broad generalization, that instances in which a position previously held by an English-speaking staff member had been filled by a French-speaking (bilingual) successor were related to us with some enthusiasm, although the number of such cases is still relatively small. Wherever English had followed English, or French followed French, the attitude seemed to be neutral. But where English had succeeded French, the situation did not seem to be viewed with the same approbation. It appeared from the discussion that the appointment had been made only after all management people concerned had been assured that no other solution was feasible, and that special conditions of qualifications and availability had had to be covered.

This was the impression we received from English-speaking managers of "English-language" firms, and from French-speaking managers of "French-language" firms, and it should be borne in mind that the nature of this study, coupled with recognition of outside social and political pressures, tended to put the onus on them to talk in such terms. Of particular in-

terest is the fact that French-speaking executives of "English-language" firms, whenever they were present at our interviews, seemed to have a different viewpoint. They tend to prefer an attitude which treats each candidate on his own merits, regardless of his mother tongue, and they do not seem to feel that the appointment of a French-Canadian to a supervisory position should be an especially noteworthy event.

Mobility

Managers of firms in all ownership-location groups were unanimous in their conviction that French-Canadian employees are much less willing to move than their English-speaking counterparts. In some firms, the organization is such that this does not matter, but in most cases, experience at various company locations is a prerequisite for promotion into upper management.

An interesting viewpoint, which was consistently mentioned (usually voluntarily) is that lack of mobility is due in large part to the influence of the employee's wife. It is well known that French-Canadian social patterns are heavily influenced by close family ties which have begun to diminish in importance only very recently. But we discovered that, in the last three or four years, the wife's influence is beginning to be felt also by English-speaking employees in cases where a move into Quebec is contemplated. It seems that uncertainty about living and social conditions, schooling, and the language used in community relations is beginning to affect the willingness of English-speaking wives to move to Quebec in somewhat the same way as uncertainty about the same factors tends to discourage French-speaking wives from moving away from this province. It is impossible to say, however, whether the reluctance to move on the part of

English-speaking wives is a temporary reaction to the "wave of terror" which swept Quebec a few years ago, or whether it is the beginning of a trend which will continue to develop. As we saw in Section 3.2.3 (Mobility), there was still, in 1964, a net influx of English-Canadians into the Montreal Region and even into Quebec outside of Montreal.

Some of the most outspoken comments regarding the low mobility of French-Canadian employees came from executives of "French-language" firms. As part of the structure of this study, we had segregated firms which have plants only in Quebec ("Regional" firms) from those which have plants all across Canada ("National" firms). Our hypothesis was that mobility within Quebec would not be affected by problems related to confessionality or language in schooling, or the language of the community, and that if these were the principal factors, "Regional" firms should have no problems with mobility. As we discussed in Section 3.2.3, and as pointed out to us in our interviews, French-Canadians tend to prefer to remain within their home community, not just within their province. For many young university graduates, the desire to live in Montreal or Quebec City is particularly strong.

Executives of one "French-language" firm cited the case of an opening for a district sales manager's position in the Sherbrooke area. The salary was one-third to one-half as high again as the incomes received by salesmen in the Montreal area, and it was decided to offer the job to Montreal area salesmen, beginning with the most senior man (in terms of length of service with the company). When he refused it, the position, it was offered to the next most senior salesman, and so on down the line. The move was finally accepted by the seventh man to be asked - a fairly recent employee with less than a year's service. In taking the job, he saw his

salary more than double.

In another case, a company starting up a new plant elsewhere in Canada decided to relocate a number of key men from one of its Quebec plants as a group, moving them and their families as a community, complete with parish priest. Even at this, a relatively large proportion of men requested a transfer back to Quebec after the new plant had been brought into production.

Problems of mobility and the influence of wives can sometimes take a humorous turn. One FCQ firm recently had to part company with a good travelling salesman in the Quebec City area because his wife insisted that he come home for lunch every day!

4.3.2 Approach to Supervision and Management

In order to sound out the attitudes of senior management people towards French- and English-speaking employees, we asked whether they felt they could perceive any differences in performance between the two groups in jobs at staff and supervisory levels.

In virtually every case, English-speaking executives initially replied that they felt there was more difference between individuals than between groups, and that they could not generalize. French-speaking executives were much more willing to enter into discussion on the subject.

Among FCQ firms, management was in general agreement that the French-Canadian tends to be more individualistic, more discursive, somewhat more authoritarian in supervisory behaviour, and seems to prefer to be "king of a small country rather than duke or prince of a big one." English-speaking employees, on the other hand, are thought to be more realistic, more methodical, more willing to associate their own objectives with those of the

company, and less authoritarian. In terms of effectiveness on the job, however, no one could discern any difference.

The president of one UKQ firm expressed much the same opinion, taking as his example the difference between salesmen in the Quebec division office and those in Ontario division. In Quebec, where all employees are French-Canadian, "organization" is at a minimum, records and forms are not in a good state, but morale is high and so is the level of sales. In the Ontario division, staffed by English-Canadians, records are kept rigorously up to date, forms are in good order, morale is also high, and the level of sales is just as high, proportionately, as it is in Quebec. The president wondered, rhetorically, what would be the effect of switching sales managers - the French-Canadian to introduce more "spirit" into Ontario, and the English-Canadian to introduce more "order" into Quebec. It would be an interesting experiment, but the president is reluctant to try, in case results, in terms of sales volume, are opposite to what is desired.

Many English-speaking executives commented that it was difficult to compare like with like because of the relatively small number of French-Canadians having the same education and experience as English-Canadian employees at the staff level. Where it was possible to do this, little difference could be observed, except with respect to mobility. Educational factors do create differences, however, due to the fact that a relatively larger proportion of French-Canadians have a liberal arts background, and are therefore better suited for work in broader, non-technical, functional areas.

Some company executives, representative of all ownership-location

groups, reported that French-Canadians are often less willing to accept responsibility in supervision or in purchase of equipment.

As suggested earlier, some English-speaking executives feel that the French-Canadian engineer or chartered accountant tends to lay more emphasis on the professional aspects of his work. This view was shared by a number of French-Canadian senior officers of English-language firms. In some industries, such as pulp and paper, where the young engineer's path to the general manager's position traditionally starts with jobs in the production area, which involve shiftwork, the attraction to the recent graduate (and especially, the French-Canadian) is felt to be very slight. Usually, also, employment involves moving to a relatively remote small town in the province. Several people mentioned the young French-Canadian's reluctance to "get his hands dirty," though they sometimes added they were encountering difficulties in getting young English-speaking engineers to work for them, as well.

4.3.3 Effect on English-Speaking Employees

In view of the current emphasis being placed on employment and promotion of French-Canadians in industry, we naturally came to a discussion, in many of our interviews, of the effect these policies are having on English-speaking employees.

It seems to be the view of most company executives that no problem exists - so far. The new policies do give more emphasis to French-speaking employees, but the lack of availability of qualified people necessarily means that implementation will be slow. In the meanwhile, continuing expansion of the economy is ensuring that a sufficient number of job opportunities are opening up to satisfy the aspirations of employees

of all language groups. Some people mentioned that the country is "fortunate" that these shifts in emphasis are taking place during a time of expansion, when changes in the workforce can be brought about through new appointments as openings occur, rather than through outright replacement.

We should stress that we are dealing here, not with the attitudes of English-speaking employees, but with senior management's perception of these attitudes and the degree of management's concern with employee morale and behaviour. In some firms, executives reported that they believe English-speaking employees at the middle management level may not be as convinced as they once were that unrestricted job opportunities are still open to them. In some cases, where bilingual requirements have been introduced as part of certain job specifications, it is well known that job opportunities definitely are restricted now, in a way that they were not some years ago. However, few management people reported having done much to relieve the concern of the English-speaking employee for his future, except to emphasize the importance of bilingual ability and (in some cases) offer language courses to help in this regard. The consensus seems to be that the "threat" to job security, if it exists (and this is disputed) is still very remote.

A French-speaking vice-president of one ECQ firm, speaking of conditions in his company, put forward the theory that there is an "impermeable zone" of English-Canadians at the middle-management level, through which it is very difficult, if not impossible, for a rising young French-Canadian to pass. These English-Canadians, the vice-president said, resist the use of French and tend to group themselves into "little islands,"

especially in their social life. The pattern is emphasized in company towns located far away from Montreal. The French-Canadian executive did note, however, that he himself had run into no hostility or impediment to his advancement through the "impermeable zone," and we heard of no other difficulty of this nature from any other senior French-Canadian executive interviewed.

The case was cited earlier of one ECQ firm which has based its employment and promotion policies on what it regards as an obligation towards English-speaking candidates whose fathers were first brought into the region by the company's inception. This can be considered as one extreme, and it is the only case we encountered where such an attitude prevails.

A competitive ECQ firm has taken a different course. The combination of government and social pressures encouraging the employment of French-Canadians in Quebec, the continuing loss of its English-speaking employees in technical and staff positions to employers outside of Quebec, and its own westward diversification of manufacturing activity, have all resulted in marked changes in corporate policy and character. The company is now actively pursuing a programme designed to give it a French-Canadian "image." It is seeking to employ as many French-Canadians as possible to occupy specialist and supervisory positions in Quebec, because it is felt they will be less likely to leave the province. When asked about English-speaking employees who are left, company executives shrugged their shoulders and replied, "This doesn't mean there will be no room left for them, but they must be bilingual, like French-Canadians in senior management." It developed later that management is giving serious thought to

moving the head office away from Quebec and setting up a "Quebec Division," which would operate principally in French, except for outside contacts.

At the opposite extreme is a small number of firms, owned by English-speaking interests, which undertook some years ago to operate in a French "image" - often for reasons relating to market patterns. A senior French-Canadian executive related to us how the change-over from English- to French-speaking management had proceeded. In the days before the change-over, relations had not been good. When the person giving the interview was first promoted to managerial ranks, he says he was the only French-Canadian in the group, and one of his superiors had told him that he was, in a sense, fortunate that there were no qualified English-Canadians in the company who could take on the job. (The year was 1944.) When he had suggested greater use of French, the question was asked, "Why should we make concessions to these people?" His answer was, "Because they represent 80 per cent of our market," but no changes were made for some years, until the decision was made from above to revise the "image" completely. This involved the formation of a company which would reflect French-Canadian society in all respects. It was specified that this would not just mean the use of French, but the eventual replacement of all managerial staff with French-Canadians.

Changes were not made overnight, and there are still some English-speaking people in management, but these are, in the main, older employees; most younger men left soon after the new policies were promulgated. Management people in operations outside of Quebec have been made aware that they cannot expect to be promoted to head office. According to the ex-

ecutive giving the interview, his greatest loss occurred when he had to tell his executive vice-president - a fluently bilingual English-Canadian - that he could not hope to succeed to the presidency. The vice-president left to take a position with another firm, and the two men are, reportedly, still good friends.

To repeat, most firms are not undertaking any drastic changes. Most are making genuine efforts to attract and retain French-Canadian employees, and to promote them at the fastest rate possible, subject to constraints of availability and experience. Many senior management people expressed the belief that there could conceivably be some reaction from English-speaking employees, some day, but that there seems to be fairly general agreement among English-speaking management and employees that they should mark time a little bit, to permit French-Canadians to catch up.

Besides educational qualifications and experience, the greatest advantage possessed by English-speaking employees, as a group, is their greater mobility. This is not only an advantage in their present jobs; it also gives them a sense of security, since they know that they could, if necessary, find work outside of Quebec. Recognition of this fact seems to be in large part responsible for their rather subdued reaction to current changes.

4.4 REGIONS AND FUNCTIONS WHERE FRENCH CAN BE THE WORKING LANGUAGE

Reference to the model depicted in Fig. 4.1.1 (page 4), and the discussion accompanying it, will show that the factors inducing the use of French as a working language are not very powerful, and that they nearly always originate within the firm. Such factors are, of course, only present where the majority of the workforce is French-speaking.

This gives us the short answer to our question: French can be used as a working language only in those operations in Quebec which

(1) can be staffed by French-Canadians; and (2) are isolated from outside influences. Very often, plants in Quebec operate in French at the wage-roll level, and in English (or both languages) at all other levels.

This condition has resulted in the creation of a "bilingual belt" in many organizations. Above the belt, English is the usual language of business, and below, French is predominant. Most often, the "bilingual belt" is centered around the foreman or plant supervisor. In order to test for its location, we asked the following questions in our interviews:

" How far can a unilingual French-speaking employee rise
in your company? "

and

How high can a unilingual English-speaking employee
rise? "

In most cases, unilingual French-speaking employees are able to rise to the foreman level. Beyond that point, however, further promotion is not necessarily blocked to the individual because by the time he reaches the foreman level, he is likely to have become bilingual. In the marketing function, salesmen can often operate only in French, but sales managers, even at the regional level, generally must be bilingual.

With a few exceptions, unilingual English-speaking employees can rise

right to the top of an organization, but there is often an interesting paradox here, in that an employee at lower levels who is unable to speak French cannot get started.

There are some differences due to regional location. In Quebec outside of Montreal, French can be used alone in a number of instances. In Montreal, French can be used alone only in unusual situations, as can English. The accent in Montreal is on the use of both languages. In other parts of Canada, English can be used alone (and generally is) in nearly all cases.

In FCQ firms, a unilingual French-speaking employee can reach such positions as plant manager, chief accountant, or (most often) foreman. People in technical work, sales, and middle and senior management must be able to speak English. Unilingual English-speaking people are seldom employed. When they are, they occupy specialist positions which involve little contact with other employees or (in one or two instances, only) senior management positions.

The situation in "English-language" firms with respect to horizons of unilingual French-speaking employees is the same as it is in FCQ firms. However, opportunities open to English-speaking employees are changing rapidly in plants and offices in Quebec. Unilingual English-speaking people at middle management levels can still, in most cases, move on to more senior positions, although many of them are nevertheless taking French-language courses. Younger people coming in, who must be able to move between plants throughout the country as they gain the experience needed for further promotion, are expected to become bilingual either before or shortly after they move to jobs in plants in Quebec. It is

anticipated, therefore, that in time all English-speaking managerial staff will be bilingual. The president of one ECQ firm estimated that his successor - or at least the next but one - will have to be fluently bilingual to hold the position.

Executives of firms with head offices outside of Quebec make the same estimate of future requirements for senior management of their Quebec operations. In many firms, bilingualism at the top level in Quebec is the case already. But they do not feel it is as important for senior management at head office. To the extent that these people will have done their "tour of duty" in Quebec on their way up, they will have bilingual ability (assuming it is not lost subsequently), but otherwise, there is no requirement.

The effect of these requirements respecting bilingual ability in "English-language" firms has been to move the "bilingual belt" upward, over the years, from wage-roll to foreman level, and from there (more recently) to plant supervision and management. In the marketing area, the "bilingual belt" is at the level of salesman or sales manager, depending on the structure of the market and the type of buyers involved.

There is still a very small number of plants and offices in Quebec which operate exclusively in French. Particular conditions of markets, technology or reporting and information systems within the organization, will determine at what level, and in what functions, contact must be made with the world outside, and this is where the ability to use English becomes mandatory.

4.5 SUCCESS OF FRENCH-LANGUAGE COURSES

In recent years, English-speaking businessmen in the Montreal area, with few exceptions, have become quite actively engaged in taking courses in conversational French in an effort to improve their knowledge of the language. The time and money devoted to these efforts have been considerable. As shown in Section 3.5.2 (Training and Further Education of Employees), 41 sample firms spent some \$ 240,000 between them on language courses alone in 1964, representing nearly one-quarter of all direct costs incurred for training and education. Indirect costs are impossible to measure, but languages courses in French given within the firm to English-speaking employees accounted for over 28,000 man-days, or nearly 35 per cent of all employee time devoted to courses in all subject areas.

There is, in addition, a substantial opportunity cost. Continuing advances in technology and in business methods are demanding greater study effort from management at all levels. Time and effort spent in taking courses in French necessarily means that less emphasis can be put on these other courses, which affect the efficiency and competitive ability of Canadian industry.

When questioned about these matters, most senior management people interviewed replied that these expenditures were a necessary part of the cost of doing business in Quebec. Some mentioned that similar kinds of expense are incurred in doing business in South America, Asia or Europe. Most felt that the cost of language courses is relatively small, having in mind the importance of social changes now underway.

In an attempt to focus closer attention on the matter, we put the question in the form of a challenge;

" Courses in conversational French involve the direct expenditure of money, and the diversion of management effort into areas which do not appear, on the surface, to be directly related to profits. The expense might be regarded as a form of investment, but most investments are made with a view to making some direct or indirect return. What benefit does your firm expect to derive from these courses? "

To begin with, virtually everyone interviewed reported that the courses had not been successful insofar as ability in spoken French is concerned. Most people pointed out, very correctly, that unless a person has the opportunity to practice speaking French, he soon loses the ability. Very often, as soon as the course was over, the erstwhile student had returned to his English-speaking working environment, become immersed in catching up on the work he had had to postpone while taking lessons, and lost whatever facility in French he may have had. This was generally the case whether the individual had left the office for a number of days to take a "crash" course, or whether he had devoted one hour a day, several days a week, to private tutoring. A senior officer of one USQ firm told us that his controller had requested permission to take a French course, was given it, and had done quite well. But he was back again three months later to ask permission to take the course again because he had forgotten nearly all he learned. Permission was granted, but without the expectation of any better results.

In view of this experience, some firms abandoned the attempt to teach their senior executives to speak French, but most are still carrying on. In most cases, courses are given to top management first, then to people at the next level down, and so on. Sales representatives, who may be able to benefit directly from an ability to speak French to their clients,

sometimes must wait a long time to be able to take the course, or else arrange to take one privately at their own expense. In a few firms (mostly those with head offices outside of Quebec), courses in French are given only to people who will benefit directly from them, and not to senior management.

Although they admit that proficiency is seldom attained, many executives are convinced that it is worthwhile for them to know some French. They believe that the morale of French-speaking employees is greatly improved if senior management people can greet them with a few words of French in the elevator or during a tour around the plant, or if the president or vice-president can make a short speech in French at an employee meeting.

With regard to communication with French-Canadian businessmen at their own level, or with officials of the provincial government, opinions are mixed. Most English-speaking executives feel that the atmosphere is improved if the conversation opens with a few remarks in French, before switching into English - a language in which both parties are usually more fluent. The fact that the conversation soon reverts to English, however, has convinced some English-Canadian businessmen that their efforts to speak French are not well received, and that French-Canadians resent any attempt by others to invade their language or culture. One French-Canadian businessman reinforces this claim, saying that he preferred to carry on business in English and keep his thoughts to himself in French.

Occasionally, he said, he permitted himself a private joke in French. Most other executives of "French-language" firms parried the question on this subject, saying, sometimes, that they appreciated the courtesy but

that the conversation usually proceeded in English because they were well enough at ease in that language, and that usually there was not enough time to try to carry on the whole conversation in French.

The consensus in both language groups seems to be that, apart from the courtesy of opening remarks, an English-speaking person should not try to carry on a conversation in French with a bilingual French-Canadian unless he is very fluent in the other's language. The demand for perfection on the part of the French-Canadian speaking English is less stringent.

A noteworthy element in the answer to our question regarding the benefit derived from courses in French lies in what nearly all English-speaking executives believe is the principal reason for the effort. That is, that taking a course in French language helps them to understand the French-Canadian employees of their company better. Since the language tutors are seldom typical of the French-Canadians working for the firm (many tutors are not even French-Canadians), the logic behind this reasoning is difficult to understand. What is true is that these tutors are among the few people with whom English-speaking people can discuss the difference between the two cultures and, due to the relative positions of tutor and student and the remoteness of the tutor from company affairs and organizational subtleties, discussion on such matters can be much more free and interesting.

It should be emphasized, without cynicism, that the fact that senior executives are taking courses in conversational French is good for public relations. Their efforts constitute direct, observable evidence of the concern for cultural relations felt by management, and they exemplify the

attempts being made by business firms to adapt to changes now taking place in Canada.

4.6 THE USE OF FRENCH IN BUSINESS

Although it is not within our terms of reference to make recommendations concerning the use of French in business (nor on any other point of corporate policy or practice), we feel it worthwhile, in summary, to draw attention to certain practices which appear to be successful, and to re-emphasize some important factors.

As discussed in earlier sections of this report, factors encouraging the use of French in business, which have received increasing attention in recent years, arise in two main areas - employee relations and public relations - and sometimes in a third area, marketing. But in nearly every test we made, we found that factors encouraging the use of English tend to be, on balance, stronger. Moreover, there seems to be a tendency for an organization (or any unit within it) to drift towards the exclusive use of one language, and because of the "balance of factors," that language is (usually) English at the upper management level and (sometimes) French at the wage-roll level. Between the two areas, ensuring communication between them, is the "bilingual belt." Within any one unit or work group, therefore, bilingualism is possible, but it is an unstable condition. Any change in the relative importance of factors encouraging the use of French and English will tend to upset the bilingual balance, and the working language within the group will become either all French or all English. The shifts in location of the "bilingual belt" over time are evidence that such changes are taking place, and the fact that the "bilingual belt" has shifted upward through most company organizations within the last ten years is evidence of the increasing importance of French in Quebec.

Wherever the forces at work within an organizational unit make bilingualism necessary, the "bilingual belt" comes into being, usually with little effort or deliberate action. Created in this manner, it is the least expensive way of ensuring communication, which permits the most efficient utilization of human resources in a bilingual-bicultural environment.

If the normal balance of language factors tends to result in a swing towards unilinguism, however, any attempt to induce or retain the use of both languages is bound to reduce operating efficiency, since under these circumstances, effort and attention are being focussed on the use of language, and not on efficient allocation of resources. This may not necessarily be out of line with company policy, but a policy having as its objective the encouragement of the use of any given language must recognize its effect on costs, and a corresponding decision must be such that the additional cost is worthwhile.

Taking our lead from comments made by senior French-Canadian executives in both "English-language" and "French-language" firms, we are inclined to put emphasis, not on language per se, but on opportunity, as recognized by the employee. By this, we mean opportunity to do competent, useful work and opportunity to make a good impression on one's superiors, as well as opportunity for promotion (which should follow the first two).

Translated into terms meaningful to the firm, what we are referring to is, once again, efficient utilization of human resources and its necessary corollary, good communication. In particular, the extent to which French is used in any given functional area or work group should be determined only by the extent to which difficulties in communication must

be overcome.

We believe that more emphasis should be given to the use of written French. It appears that, at present, most firms are concentrating on the use of spoken French, which is much more difficult to implement.

Most "English-language" firms complain, often rightly, that they have encountered great difficulty in attracting and retaining young French-Canadian graduates in engineering and commerce. They know that recent graduates often leave the company because the English-speaking work environment is not suitable to them. Looked at from the point of view of the young French-speaking employee, the problem is clear: the work environment may be new and strange to him (it is also new and strange to his English-speaking colleague, although he does not recognize this), but the French-Canadian, if he is not fluently bilingual, has the additional handicap of an unfamiliar language. He is, normally, very anxious to make a good impression, but he knows that his good ideas look very dull when they emerge in grammatically poor English. Perhaps he could write a report that would sparkle in French. In English, it looks much less perceptive and imaginative.

Typically, the new employee's supervisor is also in a difficult position, if he is English-speaking. He may have been taking some courses in spoken French, but he still cannot communicate effectively. Within a few months, the young French-Canadian, working in an English environment, has picked up enough spoken English to carry on a conversation quite well, and he is usually more than glad to practice his English. But his written reports are still awkward and he feels that his performance still looks poor - especially to senior management people whom he does not meet

frequently and who, he knows, are evaluating him chiefly on the basis of his written reports.

Some "English-language" firms encourage their French-speaking staff employees to write reports in French if they so desire, and we believe this is a good policy. English-speaking executives almost always know some French, and can read it much better than they speak it. Fluency is not a factor here, as it is in spoken French. If he encounters any difficulty in understanding the text, the English-speaking executive can always consult a dictionary in the privacy of his office. Of perhaps greater importance is the fact that the young French-speaking staff member is able to make the best showing he can.

Besides the information gathered in interviews, the writer has had some experience in the use of written French reports in his teaching in the Graduate School of Business at McGill University. Almost half of the people studying for the Master of Business Administration degree are graduates of French-language universities, and in the early part of the two-year programme, a number of them take advantage of the university's policy of permitting the use of French in written reports and examinations. For most students, the difference between their written work in English and in French is significant. Usually, by the end of the two-year period, all students elect to write in English, although the option of writing in French is still open to them. Many French-speaking students have remarked that the fact they could write in French if they so wished removed a "psychological barrier," which permitted them to concentrate on the subject matter of their studies to a greater extent than they had expected.

Within the "English-language" firm, by encouraging the young French-speaking staff member to do his important work in his own language, management is, in effect, allowing the new employee to make his best showing on his own terms. If better quality performance is the result, then the company is benefiting from more efficient utilization of human resources. But there is also an important by-product, which is mutual respect. The employee who feels he is being evaluated in terms which are fair to him is much more likely to remain with the firm and continue to improve his performance.

We have emphasized the importance of conditions surrounding the young French-Canadian employee because we feel this is the area in which most problems will be found. Certainly, future characteristics of the workforce will depend on the current pattern of employment of French- and English-speaking people, and the problem of availability of educationally-qualified French-Canadians can only be solved by increasing the rate of graduation from French-language universities and technical schools. The principal objective should be to give equal opportunity to all new French-speaking and English-speaking employees, without regard to language ability except in regard to ensuring that each employee can do his most effective work. Once this is done - and recognized to be done by all candidates - the problem of "proportional representation" in business should no longer be of consequence.

